

# Trump's federal grant overhaul plan draws strong pushback

- [Caitlin Owens](#) - Axios

Academic scientists, biotech executives and investors, and patient advocacy groups are sounding alarms over the Trump administration's [plans](#) to add political reviews to the process for making research grants.

**Why it matters:** America's status as the world leader in science and innovation is threatened by China's meteoric rise, and critics of the proposal are warning it would undermine the U.S. research infrastructure at precisely the wrong moment.

**Driving the news:** The Office of Management and Budget [proposal](#) would require political appointees to review grant requests and treat scientific peer review — the current method used to award federal dollars — as merely advisory.

- It says the change is needed to make sure federal awards are aligned with "administration priorities."

**Where it stands:** The proposal, posted at the end of May, has already drawn more than 93,000 public comments — an enormous volume compared with other regulatory plans.

- Axios reviewed dozens of the comments and found overwhelming opposition.
- The comment period is still open through Monday. The agency says it intends to finalize the rule in time for it to take effect Oct. 1.

**Zoom in:** OMB's stated intent is to "improve transparency, accountability, and oversight for federal awards across the federal government," but critics argue the proposal would instead politicize the grant review process and have a destabilizing impact on scientific research.

- It also would give federal agencies more authority to terminate grants, including those that "no longer [effectuate] program goals, federal agency priorities, or the national interest as they exist at the time of the termination."
- Officials have been trying to cut funding for research they say doesn't support the mission of agencies like the National Institutes of Health, including projects concerning diversity, equity and inclusion.

**The big picture:** Though the proposal would establish a framework for the whole government, it would strongly affect health care agencies at a time of considerable churn and instability.

- Critics say NIH has been especially undermined as the pace of grant awards slowed, thousands of projects were terminated and experienced staff departed.

- Both the FDA and the Centers for Disease Control still lack full-time political leadership after months of turmoil, though the Trump administration's pick for CDC director is currently awaiting a confirmation hearing.

**Where they're saying:** Pharmaceutical companies and biotechs in particular are warning about the downstream consequences of the OMB proposal, which follows months of industry angst over FDA decision-making.

- "The proposed rule risks undermining the very foundation that has made the United States the global leader in biomedical research," advocacy group No Patient Left Behind [wrote](#) in a letter signed by dozens of biotech executives and investors.

**"The proposed changes** to research funding decisions could introduce a level of unpredictability that would weaken the scientific ecosystem," PhRMA spokesperson Alex Schriver said.

- "At a time of intense global competition, creating uncertainty in research funding risks driving talent, discoveries and investment to other countries, ultimately slowing the development of lifesaving treatments for American patients and ceding U.S. leadership," Schriver added.
- "Research funding decisions must be guided by scientific merit, public health needs, and the potential to advance human knowledge. At a time when China is investing aggressively in biomedical research, the United States must be strengthening the pillars of our scientific and technological leadership," a BIO spokesperson said in a statement.

**The intrigue:** The proposal is controversial even within the administration, and still may not be finalized, one senior administration official told Axios.

- Mostly Democratic lawmakers have also weighed in against the rule.
- Top Republican Senate appropriator Susan Collins (R-Maine) issued a statement this week asking OMB to "withdraw portions of the rule that would unduly burden scientific and biomedical research and small communities."

**The other side:** "Federal grants were politicized under the last administration to promote a far-left DEI agenda.... That ends now," an OMB spokesperson said in a statement.

- "With this new rule, the Trump administration will bring much-needed accountability to the grantmaking process and ensure taxpayer dollars are spent wisely."
- "Grants are already politicized, just not by actual political appointees," first-term Trump administration health official David Mansdoerfer [posted on X](#). "I, for one, would rather federal spending be dictated by political leadership. Not an unaccountable federal bureaucracy."

**What we're watching:** With time running short, it won't take long to see whether the outpouring of opposition makes the administration back off the plan.

**The bottom line:** "Being able to turn research on and off like a light switch, to put a political litmus test on what research to keep going, what to start and what to stop, is not how scientific progress is made," said Heather Pierce, senior director of science policy and regulatory counsel at the Association of American Medical Colleges.

- "It means scientific progress could be set back by months or years or decades," Pierce added.